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SPEECH

OF

Charles
MR. HUDSON, OF MASSACHUSETTS,

ON

THE COST OF THE WAR

1848
AND

FINANCES OF THE COUNTRY.

DELIVERED IN THE HOUSE OF REPRESENTATIVES OF THE U. STATES,
FEBRUARY 15, 1848.

WASHINGTON:

PRINTED BY J. & G. S. GIDEON.

1848.

SPEECH.

The House being in Committee of the Whole, and having under consideration the bill authorizing a loan not exceeding \$16,000,000—

Mr. HUDSON, of Massachusetts, next obtained the floor. He said that the present condition of our country is well calculated to fill the mind with the most serious apprehensions. We are, said he, in the midst of a war—a war which a majority of this House have declared to have been “unnecessarily and unconstitutionally commenced by the Executive.” War in itself is at all times a great calamity; but when it is commenced without just cause, and is prosecuted for the unholy purpose of conquest, it becomes a crime of the deepest dye. Such, I am persuaded, is the character of the war in which we are now engaged. It has already sent to a premature grave many thousands of our citizens, involved us in a heavy national debt, filled our people with a thirst for conquest, degraded us in the eyes of every civilized nation, and brought us to a point where the consummation of our ambitious designs may prove the prelude of internal dissensions, more to be dreaded than foreign war itself.

I shall not, at this time, Mr. Chairman, attempt an examination of the causes of this unnatural, and, as I believe, iniquitous war. This has been done, and ably done, by others. After the repeated exhibitions of the facts in the case, the question can hardly be considered an open one. It has been demonstrated, again and again, that the Texas we annexed was revolutionary Texas, and hence that her boundary was marked by the sword; that she never extended her jurisdiction beyond the immediate valley of the Nueces; that her claim to the Rio Grande was invalid, and that the resolutions of annexation regarded it as such, and reserved to the United States the right of settling the boundary with Mexico; that Mexico had a custom-house at Santa Fe and at Brasos Santiago, both upon the left bank of the Rio Grande, where our merchants and traders had long been in the habit of paying duties to the Mexican government; that two days after the passage of the resolutions of annexation, Congress passed an act in relation to drawbacks, which recognised Santa Fe by name as a Mexican city, and that nine months subsequently the Secretary of the Treasury informed the House that this act allowing drawbacks on foreign exports to *Santa Fe, in Mexico*, had gone into effect, and was beginning to produce the most happy results; that we had a consul residing at Santa Fe, when our army was ordered into the country; that Mexico had not only civil but military possession on the left bank of the Rio Grande; that the Executive apprized General Taylor of that fact, and directed him not to disturb those permanent establishments, nor to interfere with the laws, religion, or usages of the people; in a word, that the whole valley of the Rio Grande, whether on the right or left bank of that river, was Mexican—a Mexican population, speaking the Mexican language, with Mexican laws, Mexican customs, Mexican jurisdiction—as purely Mexican as the city of Mexico itself. These facts are fully sustained by the public records of this Government, known and read of all men.

With a perfect knowledge of these facts, (for we cannot suppose the President ignorant of his country's history,) the Executive ordered our army into a

territory to which we had no just title—a territory in possession of a nation with which we were at peace; and there our forces, under the direction of the President, committed overt acts of war, by blockading the Rio Grande and charging the Mexican lines, before they had fired a gun or obstructed the movement of our army by force. Although the design of this war was at first concealed from the American people, the late avowals of the President and his friends leave no doubt of its object. It was commenced, and is prosecuted, for the unholy purpose of conquest. I will not enlarge upon this point. A bare statement of the case is sufficient to show its injustice, to crown its authors with infamy, and create serious alarm in the breast of every friend of our free institutions. But I will not pursue this branch of the subject. Passing over the causes of the war, and the unholy object for which it is prosecuted, I wish to call the attention of the committee to the financial embarrassments in which it has involved us.

At the commencement of the war our finances were in the most prosperous condition—there being a surplus of ten millions of dollars in the Treasury. And now, after the war has been prosecuted some twenty months, we are on the verge of bankruptcy. We have consumed the ordinary revenue, exhausted the ten millions surplus, together with a loan or Treasury notes of thirty-three millions, and are now called upon for a grant of sixteen millions more, to supply the wants of the Government during the present fiscal year; and this sum, I am persuaded, will be found too small by eight or ten millions, as I shall endeavor to show hereafter. So that, when the war shall have continued twenty-five months, we shall have expended, in addition to the accruing revenue, some \$68,000,000. This is but a part of the burdens brought upon us by this unnecessary war. Our munitions of war, which have been accumulating for years in our arsenals, some fifteen millions of dollars' worth of our public domain given, or to be given, in bounty to our soldiers, and long lists of pensions and private claims growing out of the war—these should be taken into the account, and will go far in increasing the sum. These are some of the pecuniary burdens which a weak and wicked Administration have wantonly brought upon the people.

War is necessarily expensive, and is almost another name for *oppressive taxation*. And I rejoice that it is so; it bears the stamp of a preventive Providence, and is calculated to awaken the people to a sense of their condition, and to induce a strict scrutiny into the conduct of their rulers. I am glad that this war has involved the Government in financial embarrassment, because the burdens of taxation may reach the grand sensorium of some men who, mad with ambition, and drunken with the idea of acquisition, seem insensible to the calls of justice and the pleadings of humanity. And I venture to predict that, if the party now in power—the criminal authors of the war—had the manliness to come forward and impose taxes sufficient to support the war, and sustain the credit of the Government, the people would rise, in the majesty of their strength, and hurl indignantly from power those who have abused the trust which a confiding people have reposed in them.

It is, Mr. Chairman, from a view of the documents which have been submitted, impossible even to approximate the amount which has been wantonly wasted in this war of aggression and conquest. The reports of the Secretary of the Treasury are so obscure, and his accounts are so confused, that it is difficult to understand them. There are some items, however, which are perfectly intelligible, and to these I wish to call the attention of the committee. I allude to the *army* expenditures; and when I speak of these, I do not include the whole military establishment, but leave out of the account the armories, arsenals, fortifications, Military Academy, and that part of the civil service which relates to the War Department.

The expenditures for the army alone during the year ending June,			
1845, were	-	-	\$3,155,027
During the year ending June 30, 1846	-	-	7,454,577
And during the year ending June 30, 1847	-	-	33,882,068

Here we perceive at once that the expenditures of the army, including volunteers, have, during the year ending June 30, 1847, exceeded the peace establishment of the year ending June 30, 1845, \$30,727,041; and for the present fiscal year the expenditure will be much greater. I am aware that the Secretary of War estimates the cost of the army, for the present fiscal year, at \$27,798,448, being more than \$6,000,000 less than it was last year; and I am also aware that these estimates are entitled to very little consideration. The Secretary last year estimated the cost of the army at \$27,733,096, which was \$6,148,972 less than the actual cost. And how was this? What occasioned this increase of expenditure over the estimates which were made when the year had nearly half passed away? The Secretary would probably tell you that the President, during the last half of the year, called out more volunteers than had been anticipated, and that Congress created ten new regiments after the estimates were submitted, and that these were the causes of the increased expenditures. I admit that this new force would swallow up the extra \$6,000,000; but still, with this increased force, the honorable Secretary comes forward, at the commencement of this session, with an estimate for the army for only \$27,798,448, being but \$65,352 more than the estimate of last year, when it was too small by \$6,148,972. The ten regiments which were created, and the additional volunteers called out, could not have served more than six, and most of them did not serve more than two or three, months; and if this carried the expenditures from the \$27,733,096 estimated, up to \$33,882,068, I cannot conceive how this increased force, called into service during the war, and consequently serving during the whole of the present year, can be supported for \$6,000,000 less than they were last year, when they served but a short time. Besides, we have already been informed by the Executive department (see Executive document No. 2 and Miscellaneous document No. 14, published by order of this House) that the appropriations of the last winter, for the present fiscal year, for the army, were \$14,014,635 too small, and that this additional sum must be provided for. And yet, with these facts staring him in the face, the Secretary presents us with an estimate for the army this year less by \$6,083,620 than the ascertained expenses for the last year. Nothing short of a disposition to conceal the real state of the Treasury, can account for estimates like these. By a report of the Adjutant General, submitted with the President's message at the last session, it appeared that the army *in the field in Mexico* amounted, at that time, to 24,984; and by his report submitted with the message this year, it appears that the army *in the field in Mexico* amounts to 43,536; a fact which will justify the conclusion, that instead of the expenses of the army being \$6,000,000 less than it was last year, it will probably be \$6,000,000 more; showing the estimate to be \$12,000,000 less than the probable expenditures.

Thus far, Mr. Chairman, I have confined myself to the expenditures of the *army alone*; but if we look at the whole expenditures of the Government, we shall come to the same result, viz., that the estimates are not at all reliable, being far below the actual expense. The ascertained expenditures of the last year are set down by Mr. Walker at \$59,451,177; while the estimate for the present year is \$58,615,660; being \$835,517 less than the actual expenditures of the last year. The improbability of this result will appear from the facts already stated. We have already seen that the army in the field the present year is 18,500 rank and file greater than it was last year; and there are now vacancies amounting to more than 15,000 in the regular and volunteer forces, which the

President is authorized to fill, and which he is now filling with all possible despatch. The Executive has informed us that they have already ascertained deficiencies in the different Departments, in the appropriations of the last session for the present fiscal year of \$14,229,844. From every view we can take of the subject, I am satisfied that the estimates are from eight to ten millions too low. It is difficult and even impossible to estimate the expenses of a campaign with perfect accuracy, but we have data before us sufficient to show that the estimates of the Departments are not at all reliable. Though the Secretary of the Treasury estimates the total expenditure for the year 1848 at \$58,615,114, I have no doubt but that we may add \$8,500,000 to this estimate with perfect safety, bringing the total expenditures of the year up to \$67,100,000. On the other hand, I am satisfied that the Secretary of the Treasury has over-estimated his receipts. He sets down his means for the year ending June 30, 1848, as follows, viz:

Customs	-	-	-	-	-	-	\$31,000,000
Public lands	-	-	-	-	-	-	3,500,000
Miscellaneous sources	-	-	-	-	-	-	400,000
							<hr/>
							\$34,900,000

No man, as it seems to me, can examine these estimated receipts without being satisfied that they are exaggerated. If we compare them with the receipts of preceding years, or if we inquire into the amount of imports, we must perceive at once that the receipt of \$31,000,000 from customs is out of the question. To obtain that revenue we must import for home consumption goods, wares, and merchandise to the amount of \$180,840,021; which would be \$68,806,632 more than the average of the four preceding years. The average consumption of imports for the years 1844, 1845, and 1846, was \$103,067,692; the consumption for the year 1847 was \$138,534,480; being \$35,466,788 more than the average of the three preceding years. Seeing the imports for domestic consumption for the last year were \$35,466,000 above the former average, I am satisfied that the people cannot, in their present embarrassed condition, pay for an import of \$180,840,021; which would be \$42,305,541 more than was purchased last year, and \$77,772,329 more than the average of 1844, 1845, and 1846. And yet this enormous importation must be made in order to give Mr. Walker his \$31,000,000 of revenue from customs. The principal reason why our imports were so large last year, was the famine in Europe, which enabled us to send abroad \$41,000,000 of breadstuffs and provisions more than during the preceding year; but that cause has now passed away; and to infer that we can import \$77,772,000 more than the average of 1844, 1845, and 1846, now that the famine has ceased, because we imported \$35,466,000 more than that average while the famine existed, shows a love of the marvellous hardly consistent with financial calculations.

I believe that the revenue from customs cannot with any propriety be estimated above \$26,500,000 for the year 1848; and to obtain that revenue we must import for home consumption \$154,059,861; which is more than \$15,525,000 above the imports of last year, and more than the country can support. In estimating the revenue for the present year I have taken the last year's imports and revenue as the basis, though that basis is altogether too favorable to the Secretary. Five-twelfths of the last year was under the tariff of 1842, where the rates of duty were from five to ten per cent. higher than under the present tariff. So that, to realize the \$31,000,000 estimated by the Secretary, we must in fact import a larger amount than I have stated; and the \$26,500,000 which I have set down as the amount to be received, would in fact require an import of more than the \$154,059,000 already stated. But, as I wish to be upon

the safe side, I have chosen to adopt the ratio of the last year. If I am correct in my positions, \$4,500,000 must be stricken from Mr. Walker's revenue from customs.

He estimates the revenue from the public lands at \$3,500,000, which I believe is at least \$1,500,000 more than can be realized from that source. The average income from the lands for the last three years has been \$2,423,276, and there are causes which must operate unfavorably upon that branch of the revenue. By the act of February 11, 1847, it was provided that all soldiers who have served twelve months in the Mexican war, or have been killed in battle, or have been discharged in consequence of sickness incurred in the service, shall receive one hundred and sixty acres of land, or scrip to the amount of one hundred dollars. Some twenty-five thousand of these soldiers have been discharged, and these land warrants are being issued in large numbers, and these warrants will absorb a large quantity of the public lands, and so divert the proceeds of the sales from the Treasury. If I am right in these calculations, the balance-sheet at the end of the year will be materially affected. The case would stand thus:

Expenditures above the estimates	-	-	-	\$8,500,000
Revenue from customs less than estimate	-	-	-	4,500,000
Revenue from lands less than estimate	-	-	-	1,500,000
				<hr/>
				\$14,500,000

Which sum of \$14,500,000, added to Mr. Walker's corrected balance, would make \$23,314,036 excess of expenditures over means on the 30th of June next; and hence the loan, including \$3,000,000 to be left in the Treasury, should be \$26,314,000 instead of \$16,000,000.

I regard this part of the subject so important that I must beg leave to dwell upon it more in detail. I have already shown that the importations for the last fiscal year, after deducting the re-exportations, amounted to \$138,534,480, and that this exceeded the average of the three preceding years by \$35,466,788. It must be manifest to every one acquainted with the laws of trade that our imports and exports for a series of years must nearly balance each other. During the last fiscal year our exports of domestic products amounted to \$150,637,464, being \$50,362,848 more than the average for the three preceding years. But this excess consisted almost entirely of breadstuffs and provisions, and was occasioned by the failure of the crops in almost every part of the eastern continent. The Secretary himself informs us that the breadstuffs and provisions exported during the last year exceeded the export of the same articles the preceding year by \$41,332,282. This fact confirms my position that this large export arose from the failure of foreign crops. This excess over former exports consisted not only in the increased quantity, but also in the increased price. But the improved harvest in Europe has checked this export, and we have no reason to expect that we shall be able to send forth this year the same quantity; and the reduced price will greatly diminish the value of our exports. In the articles of cotton and flour alone, the reduction of price, even if the quantity were the same, would reduce our export several millions.

This European famine not only increased our exports, and consequently our imports, but turned the balance of trade \$12,102,984 in our favor. But nothing can be more fallacious than to reason from a single year. In 1837 we actually imported \$4,280,000 worth of breadstuffs; but it would be absurd to argue from that fact that we should continue to import that amount. Equally absurd is it to maintain that we shall send abroad \$65,900,000 of provisions and breadstuffs annually, because we did during the past year, when the famine was so

pinching in Europe that we sent out Government ships laden with provisions as a charity to their starving thousands.

But we need not reason upon this subject. We have facts, official and stubborn facts, which show that the tide of trade is already setting against us. The imports during the first quarter of the present fiscal year amounted to \$50,675,599, while the exports amounted to only \$37,937,981, showing a balance of trade against us of \$12,737,618, which exceeds the balance of trade in our favor during the past year of \$634,634. The entire imports and exports for the whole half year have not been received; but I have returns from some of the principal cities, as will be seen by the following tabular statement:

Imports into and exports from Boston, New York, Philadelphia, and Baltimore, for the quarters ending September 30 and December 31, 1847.

Imports for the quarter ending September 30, 1847.					Exports for the quarter ending September 30, 1847.
Boston, merchandise	-	-	-	\$8,517,913	\$2,369,125
specie	-	-	-	1,197,622	80,655
New York, merchandise	-	-	-	31,412,527	14,607,041
specie	-	-	-	547,350	470,557
Philadelphia, merchandise	-	-	-	4,186,858	1,506,959
specie	-	-	-	93,868	
Baltimore, merchandise	-	-	-	1,440,770	2,026,321
specie	-	-	-	31,639	4,390
\$47,428,547					\$21,065,048
Imports for the quarter ending December 31, 1847.					Exports for the quarter ending December 31, 1847.
Boston, merchandise	-	-	-	\$5,526,074	\$2,552,729
specie	-	-	-	147,123	1,450,445
New York, merchandise	-	-	-	13,082,621	7,702,355
specie	-	-	-	199,400	3,917,359
Philadelphia, merchandise	-	-	-	2,020,461	1,096,901
specie	-	-	-	96,484	12,598
Baltimore, merchandise	-	-	-	846,735	1,676,312
specie	-	-	-	31,410	
Quarter ending December 31	-	-	-	21,950,308	18,408,699
Quarter ending September 30	-	-	-	47,428,547	21,055,048
Total	-	-	-	\$69,378,845	\$39,463,747

NOTE.—During the same period our imports of specie have amounted to \$2,344,896, and our exports of specie to \$5,937,004, as seen above.

Here it will be seen that, taking these four cities, which comprise more than three-fourths of the commerce of the country, the balance of trade for the last six months is nearly \$30,000,000 against us, and that specie is rapidly leaving the country; the excess of specie exported during this period being about \$3,600,000 above the import. We have had pleasing accounts of the great balance of trade in our favor; and golden dreams of specie flowing into the country and filling the vaults of the Sub treasury, presented to us by the Secretary of the Treasury. But we already see that an average harvest in Europe has turned the tables against us, and dissipated those golden visions.

The present condition of the money market, and the general depression of business, must reduce the imports for the last half of the year. All experience

shows that prosperity in our industrial pursuits at home contributes greatly to the increase of our commerce; and that we never purchase foreign fabrics so freely as when money is plenty in the country. It is true that our imports at the present time are heavy, but the depression of prices shows that we have a large supply on hand, and leads us to expect that the future imports will be light. The pernicious effects of the tariff of 1846, and of the drain of specie from the country to support a foreign war, are beginning to develop themselves. Manufactures already feel the shock. The cotton, woollen, and iron interests of the country are greatly depressed; and, with depressed manufactures, we may soon anticipate a paralyzed agriculture and a stagnant commerce. Even if the tide of trade should continue so as to give us a large revenue during the present year, its inevitable effect would be to diminish our revenue for the next, and so leave as great a deficit on the 30th of June, 1849, as though it fell within this year. It should also be observed, that the heavy importations of tea generally come in the spring, and as this is free of duty, no revenue will be obtained from that source.

A brief view of the finances of the country will show the utter failure of the tariff of 1846, as a revenue measure. Though the Secretary of the Treasury, and the President in his message, assure us that the tariff of 1846 has augmented the revenue of the country, every view I have been able to take of the subject leads me to a very different result. The imports and exports, together with the nett revenue from imports for the three years ending with the 30th of June, under the tariff of 1842, were as follows:

Years.		Imports for consumption.	Domestic exports.	Nett revenue.
In 1844	- -	\$ 99,950,168	\$ 99,715,179	\$ 26,183,570
1845	- -	101,907,734	99,299,776	27,528,112
1846	- -	110,345,174	102,141,893	26,712,667
Average		<hr/> 103,067,692	<hr/> 100,385,616	<hr/> 26,808,116
In 1847 they were		138,534,480	150,637,464	23,747,864

Here we have an amount of imports for the last year, of \$35,466,778 above the average of the three preceding years; and yet the nett revenue falls below the average \$3,060,252. The nett revenue for the three years under the tariff of 1842, assessed upon the imports for home consumption, would amount to a duty of 26.01 per cent.; and if we multiply the imports of 1847 by that rate, it would give us a nett revenue of \$36,032,818; which shows a falling off of the revenue under the tariff of 1846, from what it would have been under the tariff of 1842, of \$12,284,954. While the Administration and its friends are clamorous for a loan of \$16,000,000, they should remember, that if they had not wantonly destroyed the best revenue system which this country ever enjoyed, they would have had more than two-thirds of that sum paid into the Treasury; nay, if that system had remained in force up to this day, it would completely have superceded the necessity of this loan, and have left a balance in the Treasury. Here we have a full illustration of the crude, undigested system of the present Administration—a system which, had it not been for the famine on the eastern continent, would have overwhelmed its friends in disappointment. If the imports had remained at the average of the three preceding years, the revenue under the present tariff would have amounted to only \$17,624,575, or \$9,283,531 less than the average of the three years under the Whig tariff. Thus, by the miserable policy of the Administration, the best interests of the country have not only been sacrificed, but the Government itself has been robbed of twelve millions of revenue at a time when the

largest amount from ordinary sources would be insufficient to meet the wants of the Government. The receipts from customs for the year 1847 have not only fallen off \$3,060,252 from the average receipts of the three preceding years, but they have fallen \$4,087,867 below the Secretary's own estimate, submitted to Congress in December, 1846.

But it is hardly necessary to point out the blunders of the Secretary of the Treasury, or to show that his estimates are entitled to very little consideration. Of this, however, we may be certain—that his estimates are always in conformity with his preconceived opinions, and are designed to recommend his own visionary schemes. In his first annual report on the finances, to bring the tariff of 1842 into disrepute, he estimated the revenue from customs for the year ending June 30, 1846, at \$24,500,000; but the result showed a nett revenue of \$26,712,667; showing that the Secretary's estimate was \$2,212,667 too low. But when he has his own darling system before him, there is no danger of error on the same side of the question. At the opening of the last Congress, he estimated the receipts from customs for the year ending June, 1847, at \$27,835,731, being \$4,087,867 more than was realized—the true sum being \$23,747,864. Thus we see that the Secretary's fondness for his free-trade system leads him into an error of \$2,212,000 in one year, and of \$4,078,000 the next.

But in view of all these blunders, and in the face of all these facts, the Secretary says: "The new tariff has now been in operation more than twelve months, and has greatly augmented the revenue and prosperity of the country. The nett revenue from duties during the twelve months ending the 1st of December, 1847, under the new tariff, is \$31,500,000; being \$8,528,596 more than it was during the twelve months preceding, under the tariff of 1842." While this statement may be true to the letter, it is nevertheless calculated to deceive the public, and is so manifestly unjust that I should hardly expect to see it presented as a basis of a settled principle in a grave official document. The honorable Secretary could not have forgotten that, in his first annual report to the 29th Congress, he strongly recommended a reduction of duties, and this subject was agitated for months before the passage of the act; that the bill was reported to the House as early as April 14, and became a law July 30, 1846. Under these circumstances, we know that the importers would naturally keep back their orders in expectation of the reduction of duties. In this manner the tariff of 1846 would operate to check importations long before it became a law. And when the bill was passed, July 30, 1846, it contained an express invitation to importers not to bring their goods into market until the reduction had taken effect. The 6th section of that act provides "that all goods, wares, and merchandise imported after the passage of this act, and which *may be in the public stores on the 2d day of December next*, [one day after the tariff of 1846 went into operation,] *shall be subject to no other rate of duty upon the entry thereof than if the same were imported respectively after that day.*" Such was the provision of the tariff act itself; and it requires no financial wisdom to see that, during the four months which intervened between the passage of the act and the time when it went into operation, the entries of goods would be greatly reduced below the usual standard. Our merchants would not exhibit that shrewdness which has always been ascribed to them had they, not availed themselves of this opportunity of saving some eight or ten per cent. on their importations. They would delay their orders; or, if their vessels returned, they would put their goods into the public stores, there to remain for a few weeks, till the new tariff should take effect. This would greatly reduce the imports or entries, and consequently the revenue, during the autumn of 1846, and throw into the following quarter imports and revenue which did not properly belong to it. The Secretary himself has furnished us evidence of this fact. In one

of the tables appended to his report, which is valuable, as it furnishes evidence to confute his own fallacies, he informs us that the revenue in the months of October and November, 1846, was only \$1,658,480; while in October and November, 1847, it amounted to \$4,400,000; showing a balance in favor of the latter period of \$2,711,520. This shows most conclusively that the goods which usually come into the country in the autumn were either kept back or were not brought into the market till after the 1st of December, when the reduced duties took effect. It further appears, by the table of the Secretary, that the importations, and, consequently, the revenue of the quarter ending September 30, 1846, were materially reduced by the passage of the tariff of July of that year. The revenue for that quarter was only \$6,153,826; while the average revenue for the same quarters for the two preceding years was \$9,867,825; showing a falling off of \$3,713,999 from the average. This falling off in the revenue of the September quarter, and of the months of October and November, 1846, can be accounted for on no other principle than the effect of the tariff of that year. And yet, with these facts before them, the President of the United States, and his free-trade Secretary, came before the country with a comparison of the year ending December 1, 1846, and the year ending December 1, 1847, as containing a just illustration of the two tariff systems; a comparison, the fallacy of which must be obvious to the most superficial observer.

I have already shown that, with an increased importation of \$35,466,788 above the average of the three preceding years, the revenue of 1847 had fallen more than \$3,000,000 below the average of those years; and that if the tariff of 1842 had been in operation during the year 1847, with the same importations, we should have realized a nett revenue of more than \$36,000,000; showing a loss by the tariff of 1846 of more than \$12,000,000. But the Secretary ascribes this increased importation to the reduction of duties. That the reduction of duties might contribute in some small degree to the increased importation, I am ready to admit; but that this is the principal cause, no man acquainted with the subject can believe for a single moment. The simple fact that our increased export consisted almost entirely of provisions, shows us the true cause of our augmented imports and exports; and, unless the tariff of 1846 had power over the seasons, and actually scattered blight, mildew, and famine from its wings, it had but little to do with our increased export for the last year. But, notwithstanding these plain and palpable facts, the Secretary informs us that the export of domestic products, exclusive of gold and silver, in 1847, exceeded that of 1846 by more than forty-eight per cent.; and he has given us a table carrying this increase up to 1850, at which period our export will reach \$488,445,056! I have no disposition to disturb these pleasing dreams of the honorable Secretary; but I believe that he is the only man, even in the present Administration, who would parade such visionary speculations in an official document.

I have, Mr. Chairman, thus far confined myself mainly to the receipts and expenditures of the past and present fiscal years. But, as we are now called upon to provide for the next fiscal year, it may be well to look into futurity, and ascertain, as well as we may, what will be the probable expenditure for the next year. We have the estimate of the Secretary of the Treasury, covering those of the different Departments, and it seems peculiarly fortunate that he is able to reduce the expenditures very much in proportion to the increase of the force called out. We have already seen the actual expense for the year ending June 30, 1847, and the estimated expenditures for 1848; and I will now call your attention to the estimates for the year ending June 30, 1849, and that they may be seen at a glance, I will place them together:

Actual expenditures for the year ending June 30, 1847,	\$59,451,177
Estimated " " " " 1848,	58,615,660
Estimated " " " " 1849,	55,644,941

It will be seen that Mr. Walker's estimated expenditures are based on a sliding scale, similar to the British corn laws, where the duty is reduced with the increase of the price. Our force in the field is constantly increasing; and yet our estimated expenditures are reduced from year to year, the cost of the service for 1849 being \$3,806,236 less than the actual expenditures for 1847, though the force is much greater. Such is the picture presented to us by the official documents. But every man who will take the trouble to examine the subject, will be satisfied that the estimate for the present and for the next fiscal year is altogether too low. There appears to be a systematic attempt on the part of the Executive department to reduce the estimates to the lowest possible point; not, however, as it would seem, from a conviction that the sum estimated will meet the wants of the service, but with a knowledge that if greater expenses are incurred, Congress cannot refuse to make appropriations to pay just debts. I speak advisedly when I make this remark.

Agreeably to law and usage, the officers of the different bureaus make out their estimates for the coming year, and submit them to the head of the Department. These estimates for the next fiscal year have undergone an unusual degree of pruning. In confirmation of this, I will state a fact which will illustrate the principle, and show the reliance which may be placed upon the estimates. The Quartermaster General, on the 4th of November, submitted to the Secretary of War an estimate of expenditures in his department for the next fiscal year. The Secretary returned the estimates, with a request that they be reduced. The Quartermaster General complies with his request, and on the 15th of November submits his revised estimates, saying he has made "considerable reductions." He says, however, that his first estimates "were made out from data derived from the experience of the last year." He then adds, "whether these reductions be judicious, time must determine. I would not have ventured to make them, but for the fact that two sessions of Congress will have terminated before the expiration of the fiscal year for which the estimates now submitted, have been made. The sums asked for arrearages for the present fiscal year are not more, I am persuaded, than will be required."

Here, sir, it will be seen that the Quartermaster General, in his second estimates, virtually admits that they are too low—lower than the service, in his opinion, will justify. In fact, he was so well persuaded that his estimates were too low, that he says he would not have ventured to make them, but for the fact that he could come in at the next session, and ask for additional appropriations. The Committee of Ways and Means, being desirous of obtaining all the information requisite to a proper understanding of the subject on which they were called to act, addressed a note to the Secretary of War, asking him for the original estimates of the Quartermaster General. When the original estimates were sent us, we found that it was literally true that he had made "considerable reductions." And what do you suppose, Mr. Chairman, they were? How much do you suppose was cut off? I will tell you: the modest little sum of \$7,901,200! But he does it under protest, declaring that he believes it will be wanted, as he founded his estimates upon the experience of the last year.

Again, sir: the Secretary of the Navy gives us an estimate of \$10,905,558; but, after this estimate had been in the hands of the committee some six weeks, the Secretary of the Navy comes forward and informs us that we can reduce the estimate \$1,500,000, without any detriment to the public service. And what reason does the honorable Secretary offer in support of this reduction? What new discovery had he made? Why, he had discovered just what he must have known when he made his estimates—that certain unexpended bal-

ances would come over from the last year. But would he reduce the actual expenditure by this means? Not in the least. It would show less on paper; but, whether the \$1,500,000 were drawn from the Treasury under the law of last year or this, the sum would be the same, and the means must be provided in the one case as much as in the other.

I have stated these facts, not because I am opposed to reduction, but because I am opposed to imposition. I have stated them to show that there is a systematic attempt to make the appropriations as small as possible. I do not believe that reducing the appropriations will reduce the expenditures, on the whole, one mill. I am perfectly satisfied that there is a great unwillingness on the part of the Executive to have the enormous expenditures of this war known at the present time. But the President does not wish to be behindhand in the good work of retrenchment, or to be outdone by his Secretaries, and consequently he comes in and proposes to cut off the paltry sum of \$18,500 from the grants made to the poor Indians for the purposes of education! In several of the treaties made with the different tribes, there is a provision that certain sums shall be paid to them annually, at the pleasure of the President, for their education and civilization. The different denominations of Christians who support their missionaries among these tribes, have received from the Government a portion of these funds, which they expend for schools among the tribes, and account to this Government for the manner in which it is expended. The Presbyterians, I am informed, expend two dollars of their own money, for purposes of education, for every dollar they receive from the Government; the Baptists expend about one dollar of their funds for every dollar they receive from the public Treasury; and the Methodists, who always act as pioneers in every good enterprise, expend their money in aiding the Government to instruct these unfortunate children of the forest. And while these heralds of peace and salvation are willing to spend and be spent in the glorious cause of civilizing the untutored savages, and opening to their dark and benighted minds the glories of immortality, the President of the United States comes forward, and, taking advantage of a clause in the treaties in which a confidence is reposed in him, proposes to strike out these small appropriations granted to them for a valuable consideration. The Executive of a people calling themselves Christian, appears to be unwilling that the ministration of life should be dispensed among the savages in our own country; he wants the money to dispense the ministration of death among the savages in Mexico. He wants all the resources of this country to convert, sword in hand, the wretched hordes of Mexico, not to Christianity, but to citizens of the United States—a nation which has spread slaughter through their country, and treated them, as they believe, with the greatest injustice.

Here, Mr. Chairman, a question naturally arises, why the Administration wish at the present time to reduce the appropriations? Their motives are in their own breasts. I am satisfied of the fact, for they have revealed it; but they have not disclosed the motive. But, being a Yankee, I shall claim the prerogative of a Yankee, and *guess* the reason. An important election is approaching, and the Administration do not wish to have the troublesome question of the expenses of the war brought before the people in the next Presidential contest. They know that, before we shall assemble here again, that question will have been decided one way or the other, and that, at that time, they may safely come forward and ask us to appropriate, not fourteen millions of dollars to supply deficiencies, but thrice that sum. This is my solution of that question; and if any friend of the President on this floor thinks me uncharitable, I will ask him whether he had not a little rather that these heavy appropriations should be put off till the next session. I know he had. If he is frank and candid, he will admit it.

But, sir, all these artful attempts to blind the eyes of the people will not avail. The note of alarm shall be sounded, and the people shall know the fraud that is attempted to be played off upon them. The estimates that are presented are beyond all question too low; and if this miserable war continues, we shall find it so. That we may see what demands the Administration are making upon the tax-payers of this country, I will present a statement of what they ask, directly, and by implication.

They ask us to appropriate certain specific sums, and these sums will involve others which are not specified; and these incidental expenses will increase with the continuance of the war. The deficiencies for this year are already ascertained to be more than \$14,000,000, and it will be perfectly safe to set down the deficiencies for the next year at \$16,000,000. The account, then, will stand thus:

Appropriations asked for	-	-	-	-	\$55,644,941
Appropriations to supply deficiencies for this year	-	-	-	-	14,220,040
Deficiencies for next year	-	-	-	-	16,000,000

\$85,864,981

Here we have direct and tangible appropriations for \$85,864,900 in round numbers. But this is not all: they ask us to grant them ten new regiments of regulars, which cannot be enlisted, transported to Mexico, and supported there for a year, judging from the expenses of the past, short of \$9,000,000. Then they ask for authority to call out twenty regiments of volunteers, which, as it may in some degree save the expense of recruiting, I will set down at \$17,500,000. If we comply with the request of the Executive, and grant him all the force he asks, and this force should be called into service, the account would stand as follows:

Appropriations as above	-	-	-	-	\$85,864,981
Ten new regiments of regulars	-	-	-	-	9,000,000
Twenty regiments of volunteers	-	-	-	-	17,500,000

\$112,364,981

Here, sir, we have the round sum of \$112,000,000, and who will say that this statement is exaggerated? Let the whole force now asked for be called out, and let the regiments now in the field be filled up, and every dollar of this sum will be required. There are also several sources of expenditure which have not been taken into this account, and which will be constantly increasing. If we go on borrowing money, the interest on the public debt will make no inconsiderable sum. The pension list will be constantly increasing, and before the end of the year the numerous private claims for injuries sustained in and by the war will begin to come in, and the scrip which the discharged soldiers will receive instead of their land bounty will be in the character of a public debt, on which interest must be paid. The exhausted arsenals must be replenished, and a thousand other charges incident to war must be taken into the account. The incidental expenses of the Florida war, nor the war of 1812, nor even the war of the Revolution, are as yet all ascertained; so some of the expenses of this Mexican war will remain unpaid for half a century.

And while these enormous appropriations are asked for, and this vast amount is to be expended in a foreign country, but very little regard is paid to the interests of our own. While the Executive is wasting millions to destroy property abroad, he denies to Congress the right of saving property at home; while he is slaughtering Mexican soldiers, he will not allow us to save the lives of American seamen. When bills are passed to improve our harbors and rivers, to save the property of our citizens and the lives of our seamen, the President turns round and tells us that we have no right to improve our own country, or save the lives of our own people.

Now, sir, in view of our present financial condition, what is the duty of the Administration? To go on borrowing money, and so entail upon our posterity a heavy national debt? No policy can be more unwise. Every generation, as far as possible, should bear its own burdens and pay its own debts. Our country is amply able to support a war on any reasonable scale, and they will do it cheerfully, if they believe the war to be just and necessary. Why, then, do not the Administration come out at once and recommend taxation? Our tariff can be so modified as to give ten or twelve millions of revenue more than we are now receiving, and at the same time protect our own labor, stimulate our own industry, and develop our own resources. This is what every enlightened statesman would recommend. And then we should impose a direct tax, apportioned among the States agreeably to the principles of the Constitution. But, while our expenses are increasing, the Administration take no measures to increase our revenue; recommend nothing but a paltry tax upon tea and coffee. And why do they pursue this narrow, this cowardly policy? The Democracy, in their conventions, declare that *free trade* and *direct taxation* are the basis of their theory. Why, then, do not the Administration come out and recommend direct taxes at once? The money will be needed. Fifty millions, in addition to all our ordinary revenue, will not be sufficient to carry us to the close of the next fiscal year. And why, I ask again, does not the President direct his fiscal agent, the Secretary of the Treasury, to ask for a direct tax of \$50,000,000?

The reason is obvious. He knows that, the moment the people are called upon in this manner to support the war, they will begin to inquire more fully into its character, and the object for which it is prosecuted, and that such an inquiry would end in his own condemnation. He knows, too, that those States which are the most clamorous for the war, would be totally unable to pay their portion of the tax. I have apportioned fifty millions among the several States, agreeably to the federal basis, which I will present to the committee:

An apportionment of fifty millions upon the several States, agreeably to the constitutional basis.

Maine.....	7	representatives.....	\$1,535,088
New Hampshire.....	4	do.....	877,193
Vermont.....	4	do.....	877,193
Massachusetts.....	10	do.....	2,192,982
Rhode Island.....	2	do.....	438,597
Connecticut.....	4	do.....	877,193
New York.....	34	do.....	7,456,140
New Jersey.....	5	do.....	1,096,492
Pennsylvania.....	24	do.....	5,263,158
Delaware.....	1	do.....	219,298
Maryland.....	6	do.....	1,315,790
Virginia.....	15	do.....	3,289,474
North Carolina.....	9	do.....	1,973,684
South Carolina.....	7	do.....	1,535,088
Georgia.....	8	do.....	1,754,386
Alabama.....	7	do.....	1,535,088
Mississippi.....	4	do.....	877,193
Louisiana.....	4	do.....	877,193
Ohio.....	21	do.....	4,605,263
Kentucky.....	10	do.....	2,192,983
Tennessee.....	11	do.....	2,412,280
Indiana.....	10	do.....	2,192,983
Illinois.....	7	do.....	1,535,088
Missouri.....	5	do.....	1,096,490
Arkansas.....	1	do.....	219,298
Michigan.....	3	do.....	657,895
Florida.....	1	do.....	219,298
Texas.....	2	do.....	438,597
Iowa.....	2	do.....	438,597

How would the Democracy of the Keystone State be pleased with the idea of paying \$5,263,000? Could they inscribe that upon their banners, and fight as manfully as they did under the banner of "Polk, Dallas, and the Tariff of 1842?" What would the warlike gentleman from Maryland say to a tax of \$1,315,000, in addition to the burdens they are now called to bear? What opinion of the war would be entertained by the good people of Alabama, if it was brought home to them by a tax of \$1,535,000 in a single year? Illinois would not find it exactly convenient to pay \$1,535,000, nor Indiana to pay \$2,192,000, annually. The sum of \$657,000 would, I apprehend, fall rather heavily upon Michigan, and \$219,000 would remind Arkansas that the sinews of war were as troublesome as the war itself. The people of Texas would find the glory of the war a poor investment, when they were required to pay \$438,000 as the purchase money. I might mention Mississippi and Florida, and several other States, upon whom this tax would be rather oppressive; but, as they are clamorous for the war, they ought to be willing to bear their share of the burden. Particularly should the Democracy of these States advocate direct taxation, because they are in favor of the war, and of this mode of raising the means.

But, Mr. Chairman, the fact is, that neither the Administration, nor their friends upon this floor, dare recommend direct taxes. They know that the people in those States most clamorous for the war, would not sustain it for a single day, if they thought that they must come forward and pay their fair proportion of its burdens. If such a tax were imposed, we should be compelled to withdraw our army from Mexico, not only because we should not be able to support them there, but because they would be needed to suppress insurrections which such a tax would produce.

But this fact is a striking commentary upon the character of the war, and of the Administration which have wantonly involved us in it. The American people are not wanting in patriotism. They stand ready at all times to sustain the Government in war, whatever may be the amount of taxes, provided they believe the war to be just and necessary. The very fact that the Administration dare not propose a direct tax, is a clear confession that they know the war is unpopular with the people. They know that they have plunged the nation into a war without just cause; and now they attempt to avoid the responsibility, and put off the day of reckoning, by throwing the burdens of this war upon those that come after them. Our fathers bestowed upon us, their children, the rich inheritance of freedom; but the present Administration will, I fear, leave to their successors nothing but *tarnished honor and a heavy national debt.*



